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MEMORANDUM

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DATE: August 9, 2006

RE: IN THE MATTER OF THE APPLICATION OF MPOWER COMMUNICATIONS  
CORP. FOR CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE  
AND NECESSITY FOR FACILITIES-BASED AND RESOLD LOCAL  
EXCHANGE TELECOMMUNICATIONS SERVICES. (DOCKET NO. T-03831A-  
06-0344)

Attached is the Staff Report of the above Application to cancel the Certificate of Convenience and Necessity ("CC&N") held by Mpower Communications Corp. Staff recommends cancellation of the CC&N.

EGJ: PJG:tdp

Originator: Pamela J. Genung

Arizona Corporation Commission  
DOCKETED

AUG -9 2006

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DOCKET NO. T-03831A-06-0344

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STAFF REPORT  
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ARIZONA CORPORATION COMMISSION

MPOWER COMMUNICATIONS CORP.

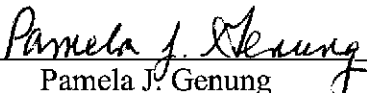
DOCKET NO. T-03831A-06-0344

IN THE MATTER OF THE APPLICATION OF MPOWER  
COMMUNICATIONS CORP. FOR CANCELLATION OF THEIR  
CERTIFICATE OF CONVENIENCE AND NECESSITY FOR  
FACILITIES-BASED AND RESOLD LOCAL EXCHANGE  
TELECOMMUNICATIONS SERVICES

August 9, 2006

### STAFF ACKNOWLEDGMENT

The Staff Report for Mpower Communications Corp., Docket No. T-03831A-06-0344, was the responsibility of the Staff member listed below. Pamela J. Genung was responsible for the review and analysis of Mpower Communications Corp. Application to cancel its Certificate of Convenience and Necessity.

  
\_\_\_\_\_  
Pamela J. Genung  
Public Utilities Analyst IV

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## INTRODUCTION

On May 25, 2006, Mpower Communications Corp. ("Mpower") submitted an Application to discontinue providing competitive facilities-based and resold local exchange and interexchange telecommunications services in Arizona and to cancel its Certificate of Convenience and Necessity ("CC&N").

## BACKGROUND

On August 2, 2000, the Commission, in Decision No. 62769, granted Mpower a CC&N to provide competitive facilities-based and resold intrastate telecommunications services within Arizona.

## STAFF'S ANALYSIS

In its Application, Mpower stated that it has never initiated service in the State of Arizona and has no intention to offer services. Mpower realizes that should its future business plans change, it would need to re-apply for the necessary certificate(s).

Pursuant to A.A.C. R14-2-1107A(2) and A(4), Mpower is required to notify each of its customers and the Commission of a proposed discontinuance of service sixty (60) days prior to filing an application to discontinue service. Mpower has indicated in its application that it has not provided telecommunications services in Arizona. Therefore, it does not have any customers that would be affected should the Commission grant Mpower's request. Staff has verified this information against the number of access lines and revenue dollars Mpower supplied in its 2004 and 2005 Annual Reports that were filed with the Commission. For the reasons stated above, Mpower has not sent out customer notifications since it does not have any customers in Arizona.

Mpower has also indicated in its Application that it does not have any outstanding obligations in the form of advances, deposits, and/or prepayments. Staff has reviewed Commission Decision No. 62769 that granted Mpower a CC&N and a performance bond was not required.

Pursuant to A.A.C. R14-2-1107(B), Mpower is required to publish legal notice of an Application to discontinue or abandon local exchange or interexchange services in all counties affected by the Application. On July 19, 2006, Staff received copies of the Affidavit of Publication that legal notice of the Application had been published in Maricopa County. No objections or requests for a hearing regarding Mpower's Application to discontinue telecommunications services were filed.

The Consumer Services Section of the Utilities Division reports that there were zero (0) complaints, inquiries, or opinions filed against Mpower from 2003 through June 1, 2006. Consumer Services also reports that Mpower is in good standing with the Corporation Division of the Commission.

According to the Compliance and Enforcement Section of the Utilities Division, Mpower does not have any compliance delinquencies and is current with their annual reports.

Since there are numerous other carriers offering the same or similar services as Mpower and Mpower does not have any customers in Arizona, Staff believes that approval of Mpower's request to discontinue service is in the public interest.

## **RECOMMENDATIONS**

Staff recommends approval of Mpower's Application for authority to cancel its CC&N. Mpower is not providing telecommunications services to any customers in Arizona.

Upon cancellation of its CC&N, Mpower will no longer be authorized to provide facilities-based and resold local exchange and interexchange telecommunications services in Arizona. Therefore, Mpower will no longer be subject to the requirements of Decision No. 62769. In addition, Staff further recommends the cancellation of Mpower's tariffs on file with the Commission.